

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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RECEIVED**JAN 10 2012****Div. of Oil, Gas & Mining**

LARGE MINING OPERATIONS 2008 PROGRESS REPORT
January 1, 2011 to December 31, 2011

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: M0470010
 2. Mine Name: Bonanza Mine
 3. Name of Operator/Permittee: American Gilsonite Company

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.

4. Mine Location: Bonanza, UT, 84008

5. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material:

Gross Ore Mined 81,927.88 Tons
 Waste Material Moved 0 Tons
 New Disturbance 3.2 Acres during 2011 (1.2 acre on Fee Land, 2 acres on BLM Land)
 Area Reclaimed 5 Acres Area Released 0 Acres during 2011
 Total Disturbed Area 116.17 Acres
 Was the ore shipped off site? If not, where is the ore located? The ore was shipped off site

Where is the waste located? _____

*Total life of mine disturbance to the end of 2011.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

Please see attached page for reclamation description

7. Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Stuart Green
 Title of Operator: Sr VP and Chief Operating Officer
 Signature of Operator: *Stuart Green*
 Date: 1-9-2012

Reclamation Details

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

E-21 – Equipment removed site seeded and ripped

E-27 Mine Site – Site cleaned up

E-28 Mine Site – Site cleaned up

E-30W Mine Site – Hoist house and derrick removed

I-12 Mine Site – Surface equipment removed

I-16 Mine site – disked and seeded

WH-17 Mine Site – Hoist house removed

I-24 Mine Site – Bins and derrick removed

Bonanza Vein – old pipeline reclaimed

Little Emma Vein -- Sites graded and reseeded to control weeds